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Appl. No. 10/668,396
Amdt. dated September 26, 2007
Reply to Office Action of April 6, 2007.

Amendments to the Claims:

This listing of claims will replace all prior versions, and listings, of claims in the application:

Listing of Claims:

Please cancel claims 8-13, 19 and 20 without prejudice and amend claims 1-7, 14-18 and 21 as follows:

1. (currently amended) A method of distinguishing items for sale by a store from personal items brought into the store by a shopper comprising the steps of:
 - a) storing first stored item identification information associated first with radio frequency identification (RFID) labels on first items for sale by the store in an inventory file; reading RFID labels of items read by an RFID label reader as part of a purchase transaction to obtain read identification information;
 - b) obtaining second identification information from second radio frequency identification labels on second items by a label reader in the store;
 - c) comparing the second-read identification information to the first stored identification information to determine whether each read RFID label is associated with an item for sale;
 - d) determining third identification information within the second identification information which is associated with third radio frequency identification labels on third items; and

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e)-ignoring the third read identification information of any read RFID labels
determined not to be associated with an item for sale as being associated with the personal items
brought into the store by the shopper.

2. (currently amended) The method of claim 1, ~~wherein step e) comprises the step~~
~~of further comprising:~~

completing the purchase transaction for items having RFID labels associated with items
for sale; and

updating the inventory file to mark any items for which the purchase transaction was
completed as sold.

e-1) leaving the third identification information out of a transaction in the store.

3. (currently amended) The method of claim 12, ~~wherein step e) comprises the step~~
~~of further comprising:~~

→ reading an RFID label to obtain item identification information for an item read as the
shopper exits the store;

→ utilizing the updated inventory file to determine if the RFID label is associated a personal
item, an item for sale, or a sold item.

e-1) leaving the third identification information out of a security check in the
store;

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4. (currently amended) The method of claim 4~~3~~, further comprising the step of:
displaying an alert on a security read display if it is determined the item is an item for sale.

f) determining fourth identification information within the second identification information which is associated with fourth radio frequency identification labels on the fourth items which are included within the first items for sale.

5. (currently amended) The method of claim [[4]]1, further comprising the step of:
utilizing transaction software to create a shopper transaction record identified by a unique transaction number and indicating purchased items on a receipt.

g) including the fourth items in a transaction involving the shopper in the store.

6. (currently amended) The method of claim 5~~1~~, further comprising the steps of:
utilizing a card reader to accept a payment card.
h) storing an indication that the fourth items were sold.

7. (currently amended) The method of claim 5~~2~~, further comprising the steps of:
h) purging items marked as sold from the inventory file the fourth identification information from the first identification information.

8-13. (canceled)

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14. (currently amended) A system for distinguishing items for sale by a store from personal items brought into the store by a shopper comprising:

a label reader for reading radio frequency identification (RFID) labels on items the shopper possesses at the time of a purchase transaction; and

memory for storing an inventory file of stored item identification information associated with RFID labels on items for sale by the store; and

a computer for obtaining first identification information from first radio frequency identification the RFID labels on the items the shopper possesses from the label reader, for comparing the first read identification information to second the stored identification information associated with the items for sale by the store to determine whether each read RFID label is associated with an item for sale, for determining third identification information within the first identification information which is associated with third radio frequency identification labels on third items, and for ignoring the third read identification information of any read RFID labels determined not to be associated with an item for sale as being associated with the personal items brought into the store by the shopper.

15. (currently amended) The system of claim 14, wherein the computer comprises a transaction computer which is operated to complete a purchase transaction for items having RFID labels associated with an item for sale.

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16. (currently amended) The system of claim 1415, wherein the computer comprises a security computer further operates to update the inventory file to mark any items for which the purchase transaction was completed as sold.

17. (currently amended) The system of claim 1416, wherein the further comprising a security computer which determines that the third identification is not within the second identification information a label read as the shopper exits the store is for an item for sale and not marked sold.

18. (currently amended) The system of claim 1417, wherein the security computer determines that the third identification is within the second identification information, but determines that the third items were previously sold controls display of an alert on a security display if it is determined the label read as the shopper exits the store is for an item for sale not marked sold.

19-20. (canceled)

21. (currently amended) The system of claim 1416, wherein the computer also purges the fourth identification information from the second identification information inventory file to eliminate any items marked as sold.